

A METHOD AND SYSTEM FOR DESIGNING A CATALOG WITH OPTIMIZED PRODUCT PLACEMENT

ABSTRACT

The current invention provides a method, system and computer program product for
5 designing a catalog with optimized placement of items. Past user transactions are used to estimate
the effect of nature and placement of an item on the response of users to the catalogs in terms of
items clicked on or items purchased. These estimations are used to optimize the placement of
items in a catalog in order to maximize the gains for a merchant specified objective, which can be
in terms of revenues, sales or the number of clicks. Various stochastic and deterministic
10 optimization functions are used for the purpose of optimization.